BANYAN GOLD CORP.

FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

MARCH 31, 2018

(Unaudited - Prepared by Management)

Notice of Disclosure of Non-auditor Review of Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3 (3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Corporation for the interim period ended March 31, 2018 have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Corporation's management.

The Corporation's independent auditors have not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of the interim financial statements by an entity's auditor.

Dated this 29th day of May 2018.

BanyanGold

BANYAN GOLD CORP.
INTERIM STATEMENT OF FINANCIAL POSITION
(Unaudited - Prepared by Management)
For the quarter ended March 31, 2018 - Expressed in Canadian Funds

	March 31 2018	September 30 2017
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	$ 707,890	$ 1,188,534
Accounts receivable	12,038	91,327
Prepaids	71,765	127
	$ 791,693	$ 1,279,988
Capital Assets, net (Note 8)	$ 60,639	$ 54,585
Exploration and evaluation asset (Note 6)	3,581,915	3,195,516
Total Assets	$ 4,434,247	$ 4,530,089
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	$ 90,779	$ 494,073
Exploration amount to be renounced	87,893	0
	178,672	494,073
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	5,109,739	4,618,039
Contributed surplus	1,297,745	1,249,692
Deficit	(2,151,909)	(1,831,715)
	4,255,575	4,036,016
Total liabilities and shareholders' equity	$ 4,434,247	$ 4,530,089

Tara Christie
CEO & President

David Rutt
CFO

BANYAN GOLD CORP.

CONDENSED INTERIM STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS

(Unaudited - Prepared by Management)

Expressed in Canadian Funds

	Three Months Ended		Six Months Ended	
	Mar 31, 2018	Mar 31, 2017	Mar 31, 2018	Mar 31, 2017
EXPENSES				
Professional Fees	$ 21,558	$ 23,693	$ 52,975	$ 38,598
General & Admin	74,426	26,789	112,056	51,048
Management Fees	57,500	45,750	115,500	57,980
Listing & Filing Fees	11,022	8,267	11,022	8,267
Future Income Tax Expense	(12,553)	87,220	(18,107)	68,879
Stock Based Compensation	0	83,340	48,053	107,767
LOSS BEFORE OTHER ITEMS	151,953	275,059	321,499	332,539
Interest Income	546	0	1,304	0
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$ 151,407	275,059	320,195	332,539
Loss per common share - basic & diluted	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding	77,704,193	50,692,535	74,855,017	48,770,657

BANYAN GOLD CORP.
STATEMENT OF CHANGES IN EQUITY

(Unaudited - Prepared by Management)
For the Quarter Ended March 31, 2018 & 2017 - Expressed in Canadian Funds

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Shareholders Equity
Balance, September 30, 2016	46,890,560	2,730,926	798,611	(1,410,653)	2,118,884
Stock based compensation on stock options (Note 5)			107,767		107,767
Shares Issued for Financing:					
Proceeds from share issuance	9,361,316	800,000			800,000
Share Issuance Costs		(545,816)			(545,816)
Fair Value Warrants			539,725		539,725
Shares Issued for Warrant Exercises (Note5)	7,927,692	583,054			583,054
Net loss for the six months				(332,539)	(332,539)
Balance, Mach 31, 2017	**64,179,568**	**3,568,164**	**1,446,103**	**(1,743,192)**	**3,271,075**
Balance, September 30, 2017	**71,254,193**	**4,618,039**	**1,249,692**	**(1,831,715)**	**4,036,016**
Stock based compensation on stock options (Note 5)			48,053		48,053
Flow Through Shares Issued (Note 5)	5,300,000	402,000			402,000
- Net of costs & flow through share premium					
Shares issued for Property Payments (Note 5)	1,150,000	89,700			89,700
Net loss for the six months				(320,195)	(320,195)
Balance, December 31, 2018	**77,704,193**	**5,109,739**	**1,297,745**	**(2,151,909)**	**4,255,575**

Note: All shares issued have been Class A common shares. No Class B common shares or Preference shares have been issued.

BANYAN GOLD CORP.

CONDENSED INTERIM STATEMENT OF CASH FLOWS

(Unaudited - Prepared by Management)

Expressed in Canadian Funds

	Three Months Ended		Six Months Ended	
	Mar 31, 2018	Mar 31, 2017	Mar 31, 2018	Mar 31, 2017
Cash Flows from Operating Activities				
Net loss for the period	$ (151,407)	$ (275,059)	$ (320,195)	$ (332,539)
Adjustments for items not involving cash:				
Amortization	4,017	421	8,035	842
Future Income Tax for Renunciation	(12,553)	87,220	(18,107)	68,879
Stock based compensation	-	83,340	48,053	107,767
	(159,943)	**(104,078)**	**(282,214)**	**(155,051)**
Changes in non-cash working capital items:				
Decrease (Increase) in receivables & accrued interest	83,015	1,501	79,289	12,375
Decrease (Increase) in Prepaids & Deposits	(71,637)	(2,309)	(71,638)	18,673
Increase (Decrease) in payables and acc. Liabilities	33,981	(20,644)	(403,294)	(65,503)
Net cash used in operating activities	**(114,584)**	**(125,530)**	**(677,857)**	**(189,506)**
Cash Flows from Investing Activities				
Acquisition of Capital Assets	(14,677)	-	(14,677)	-
Government Grant for Exploration	-	40,000	-	40,000
Exploration and Evaluation - asset	(106,476)	(985)	(296,110)	(88,867)
Net cash from investing activities	**(121,153)**	**39,015**	**(310,787)**	**(48,867)**
Cash Flows from Financing Activities				
Proceeds from Share Issuance	-	1,383,054	530,000	1,383,054
Share Subscriptions Received	-	-	-	-
Share Issuance Costs (excluding warrant costs)	(600)	(6,091)	(22,000)	(6,091)
Net cash from financing activities	**(600)**	**1,376,963**	**508,000**	**1,376,963**
Increase (Decrease) in cash & cash equivalents during the period	(236,337)	1,290,448	(480,644)	1,138,590
Cash & Cash Equivalents - Beginning of the Period	944,227	774,639	1,188,534	926,496
Cash & Cash Equivalents - End of the Period	$ 707,890	$ 2,065,086	$ 707,890	$ 2,065,086

Supplemental Disclosures

Interest Paid	-	-	-	-
Interest Received	546	-	1,304	-

1. NATURE AND CONTINUANCE OF OPERATIONS

Banyan Gold Corp. (the "Company"), was incorporated as Banyan Coast Capital Corp. by a Certificate of Incorporation issued pursuant to the provisions of the Alberta Business Corporations Act ("ABCA") on July 26, 2010. The address of the Company's registered office is 166 Cougarstone Crescent SW, Calgary, Alberta, T3H 4Z5. These financial statements were approved and authorized for issuance by the Board of Directors on May 29, 2018.

The Company commenced trading on January 27, 2011, and trades under the symbol BYN.

These financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company.

If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. BASIS OF PRESENTATION

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”). The financial statements have been prepared on a historical costs basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carry amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) the recoverability of receivables which are included in the statements of financial position;
ii) the inputs used in accounting for stock-based compensation expense, which are included in the statement of operations;
iii) recoverability of future income tax asset;
iv) recoverability of exploration and evaluation expense asset;
v) the valuation of the rehabilitation provision; and
vi) the valuation of share-based payments transactions.

3. SIGNIFICANT ACCOUNTING POLICIES

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expense are translated at the exchange approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statements of loss and comprehensive loss.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on deposit and highly liquid short-term interest bearing variable rate investments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

• Fair value through profit or loss - this category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. These assets are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations.

• Loans and receivables - these assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

• Held-to-maturity investments - these assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of operations.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial instruments (continued)

Financial assets (continued)

• Available-for-sale - non-derivative financial assets not included in the above categories are classified as available-for-sale. These assets are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the consolidated statement of operations. All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - this category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. These liabilities are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations.

Other financial liabilities include amounts due to related parties and accounts payables and accrued liabilities. This category is measured in the statement of financial position at amortized cost using the effective interest method.

The Company has classified its cash and cash equivalents as fair value through profit and loss. The Company's receivables are classified as loans and receivables.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Property Plant & Equipment

At acquisition, the Company records property and equipment at cost, including all expenditures incurred to prepare an asset for its intended use. These expenditures consist of: the purchase price; broker's commissions; and installation costs including architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges.

The Company capitalizes cost that meet the asset recognition criteria. Costs incurred that do not extend the productive capacity or useful economic life of an asset are considered repairs and maintenance expenses and are accounted for in the profit and loss in the period.

The Company provides for amortization using the declining balance method at rates designed to amortize the cost of the property over their estimated useful lives. The annual amortization rates are as follows:

Automotive	30%
Computers	55%

Depreciation of property and equipment utilized in the exploration of assets, including mine exploration, is recapitalized as exploration and evaluation costs attributable to the related asset.

Interest Income

Interest income is recognized as it accrues in the statement of loss and comprehensive loss, using the effective interest method.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Share-based payments

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

The income tax expense or benefit for the period consists of two components: current and deferred. Income tax expense is recognized in the statements of comprehensive loss except to the extent it relates to an item recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the reporting date in each of the jurisdictions and includes any adjustments for taxes payable or recovery in respect of prior periods.

Deferred tax is recognized using the liability method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. However, the deferred tax is not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Mineral exploration and evaluation expenditures

Costs that are directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such cost as: materials used, surveying costs, geological costs, drilling costs, travel to and from the site, and payments made to contractors. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead, are expensed in the year in which they occur.

Rehabilitation provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of restoration obligation in the year in which the obligation is incurred. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration properties. The discounted liability is increased for the changes in present value based on current market discount rates and liabilities specific risks.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Segment reporting

The Company determined that it had only one operating segment.

New standards and interpretations

The following new standards have been issued but are not yet applicable to the Company:

i) IFRS 9 Financial Instruments

As part of the project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, this standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets. More specifically, the standard:
- Deals with classification and measurement of financial assets;
- Establishes two primary measurement categories for financial assets: amortized cost and fair value;
- Prescribes that classification depends on entity's business model and the contractual cash flow characteristics of the financial asset;
- Eliminates the existing categories: held to maturity, available for sale, and loans and receivables.

Certain changes were also made regarding the fair value option for financial liabilities and accounting for certain derivatives linked to unquoted equity instruments.

This standard is effective for annual periods beginning on or after January 1, 2018. The Company will adopt this standard when it becomes effective. The Company has currently not assessed the impact of adopting this standard.

ii) IFRS 15 Revenue from Contracts with Customers

IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

This standard is effective for annual periods beginning on or after January 1, 2018. The Company will adopt this standard when it becomes effective. The Company has currently not assessed the impact of adopting this standard

iii) IFRS 16 Leases

IFRS 16, Leases will replace existing guidance on accounting for leases. The accounting treatment of leases by lessee will change fundamentally.

Expressed in Canadian Funds

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards and interpretations (continued)

IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting.

This standard is effective for annual periods beginning January 1, 2019. The Company will adopt this standard when it becomes effective. The Company does not currently have any leases and this change is not expected to have a material impact.

4. CASH AND CASH EQUIVALENTS

	Mar 31, 2018	Mar 31, 2017
Cash on Deposit	$ 707,890	$ 2,065,086
Liquid short-term deposit	-	-
	$ 707,890	$ 2,065,086

5. SHARE CAPITAL

Authorized:

Unlimited number of:
- Unlimited Class A voting common shares
- Unlimited Class B non-voting, common shares
- Unlimited Preferred Shares

All issued shares are fully paid

There were 77,704,193 Class A common shares issued and outstanding on Mach 31, 2018.

Transactions

Current Year & Prior Year

There were no share transactions in during the quarter ended March 31, 2018.

5. SHARE CAPITAL (continued)

Prior Year

During the prior year on March 7, 2017, the TSX Venture Exchange approved a non-brokered private placement of $800,000. The Private Placement consisted of 3,406,312 flow through shares priced at $0.095 per share and 5,955,004 units (“Units”) priced at $0.08 per unit, each unit to consist of 1 common share and 1 full Warrant, each full Warrant exercisable at $0.115 for a period of 30 months from regulatory approval.

The warrants, which form part of the units, will be subject to an acceleration clause whereby they may have their expiry time accelerated at any time prior to the expiry of the Warrants if the volume weighted average trading price of the Corporation's shares on the TSX Venture Exchange is greater than $0.13 for 20 consecutive trading days, at which time the Corporation may give notice in writing to the Warrant holders within 10 days of such an occurrence that the Warrants shall expire on the 30th day following the giving of such notice.

During a quarter a total of 7,927,692 warrants were exercised and 7,927,692 shares were issued for total proceeds of $583,054.

Stock Options

The Company has established a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Company. The Plan is administered by the Board of Directors of the Company who establish the exercise prices, vesting conditions and expiry date of the options in accordance with the requirements imposed by the Exchange.

The aggregate number of shares assumable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding shares reserved for the issuance to (a) any individual director or officer which will not exceed 5% of the issued and outstanding common shares, and (b) all consultants which will not exceed 2% of the issued and outstanding common shares.

Current Year

At the end of the quarter ended March 31, 2018, the following share options were outstanding to directors, officers and advisors:

250,050 stock options exercisable at $0.15 with an expiry of January 25, 2021
650,000 stock options exercisable at $0.05 with an expiry of January 31, 2019
75,000 stock options exercisable at $0.05 with an expiry of April 22, 2019
675,000 stock options exercisable at $0.05 with an expiry of August 20, 2020
500,000 stock options exercisable at $0.065 with an expiry of August 4, 2021
500,000 stock options exercisable at $0.085 with an expiry of August 26, 2021
350,000 stock options exercisable at $0.07 with an expiry of October 27, 2021
800,000 stock options exercisable at $0.07 with an expiry of March 4, 2022
2,050,000 stock options exercisable at $0.12 with an expiry of September 23, 2022
700,000 stock options exercisable at $0.08 with an expiry of December 29, 2022

Expressed in Canadian Funds

5. SHARE CAPITAL (continued)

Stock Options (continued)

During the quarter ended March 31 2018, the Company did not grant any stock options.

Prior Year

During the quarter ended March 31, 2017, the Company granted stock options to directors and officers to purchase 800,000 common shares, at an exercise price of $0.11 per share, exercisable on or before March 4, 2022.

The fair value of stock options granted is estimated on this date, using the Black-Scholes option pricing model, with the following assumptions:

Risk-free interest rate	1.16%
Estimated volatility	172%
Expected Life	5 years
Expected dividend yield	0%

The fair value of all stock options granted was $0.1042

Warrants

Current Year

At the end of the period ended March 31, 2018, the following share purchase warrants were outstanding:

3,632,287 warrants exercisable at $0.085 with an expiry of August 24, 2018
5,955,004 warrants exercisable at $0.115 with an expiry of September 8, 2019*
*Subject to an acceleration clause.

No warrants were issued or exercised during the quarter ended March 31, 2018.

Prior Year

In conjunction with the Company's non-brokered private placement of March 7, 2017, a total of 5,955,004 warrants were issued with an exercise price of $0.0115 for a period of 30 months subject to an acceleration clause.

The fair value of warrants issued is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.43%
Estimated volatility	172%
Expected life	2.5 years
Expected dividend yield	0%

The fair value of all warrants granted was $0.0906.

Expressed in Canadian Funds

5. SHARE CAPITAL (continued)

Warrants (continued)

The following series of warrants were exercised:

4,300,000 @ $0.075 with an expiry date of March 12, 2017
407,692 @ $0.085 with an expiry date of August 24, 2018
100,000 @ $0.075 with an expiry date of April 20, 2017
3,120,000 @ $0.07 with an expiry date of January 29, 2019

6. RESOURCE PROPERTIES

Hyland Gold Project

The Company has an interest in the Hyland Gold Project and is located in the Watson Lake Mining District of southeast Yukon, approximately 74 kilometres northeast of the town of Watson Lake. The Hyland Gold Project consists of 927 claims totaling over 18,620 hectares.

The Hyland Main Zone Indicated Gold Resource Estimate, prepared in accordance with NI 43-101, at a 0.3 g/t gold equivalent cutoff, contains 8.6 million tonnes grading 0.85 g/t AuEq for 236,000 AuEq ounces with an Inferred Mineral Resource of 10.8 million tonnes grading 0.83 g/t AuEq for 288,000 AuEq ounces.

Cut-off Grade (*AuEq* g/t)	*In situ* Tonnes	Au		Ag		*AuEq*	
		Grade (g/t)	Ozs	Grade (g/t)	Ozs	Grade (g/t)	Ozs
Indicated							
0.3	8,637,000	0.78	216,000	7.04	1,954,000	0.85	236,000
Inferred							
0.3	10,784,000	0.77	266,000	5.32	1,845,000	0.83	288,000

(1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.

(2) Mineral resources are reported at a cut-off grade of 0.3 g/t AuEq. AuEq grade is based on $1,350.00/oz Au, $17.00/oz Ag and assumes a 100% recovery. The AuEq calculation does not apply any adjustment factors for difference in metallurgical recoveries of gold and silver. This information can only be derived from definitive metallurgical testing which has yet to be completed.

Banyan has earned a 100% interest in all properties subject to various NSR agreements with an aggregate royalty of 2.5% subject to a maximum buy back of 1.5%.

Aurex-McQuesten Gold Project

On May 24 2017, the Corporation completed the definitive agreements on the Aurex and McQueston projects subject to TSX Venture approval and in the case of Alexco, requiring the consent of Silver Wheaton and the Government of Canada. The agreements provided for the Corporation to acquire up to 100% of the Aurex Property, from Victoria Gold Corp. ("**Victoria**") and up to 100% of the McQuesten Property, from Alexco Resource Corp.

6. RESOURCE PROPERTIES (continued)

("**Alexco**"). The Aurex and McQuesten gold properties are contiguous, comprising 8,230 hectares and 1,000 hectares respectively and are both highly prospective for intrusive-related gold mineralization, and include areas of historic gold production (lode and placer), in the prolific Mayo Mining District, Yukon Territory.

Highlights of Aurex Agreement with Victoria Gold Corp.:

Under the terms of the binding Letter Agreement with Victoria, which is subject to TSX Venture Exchange ("TSX-V") approval, Banyan may earn up to 100% interest in the Aurex property in three (3) stages:

- Initial 51% Option Interest - To acquire the initial 51% Option Interest in the Property, the Company is required, over a period of four (4) years, to issue in stages a total of 3 million common shares in the capital of the Company, and to incur in stages minimum exploration expenditures totaling $1.6 million on the Property. Banyan will act as the Property's operator during the initial four-year term and has the option to defer expenditures into a 5th year. Following the earning of the 51% Option Interest, a joint venture ("**JV**") will be formed and Banyan will have the ability to elect to earn an additional 24%.

- Additional 24% Interest - In order to earn the Additional 24% Interest, such that Banyan would have an aggregate interest of 75% in the Property, Banyan will be required to spend an additional $3.5 million in exploration expenditures over five (5) years. Upon having earned the Additional 24% Interest, Banyan will continue to act as the Property's operator and may elect to earn an additional 25%.

- Additional 25 % interest - In order to earn the Additional 25% Interest, such that Banyan would have an aggregate interest of 100% in the Property, within two (2) years Banyan must pay Victoria $2 million cash or shares and grant Victoria a 6% net smelter return ("**NSR**") royalty with buybacks totaling $7 million to reduce to a 1% NSR royalty on Au and a3% NSR royalty on Ag.

Highlights of McQuesten Agreement with Alexco Resource Corp:

Under the terms of the McQuesten non-binding letter agreement with Alexco, it is intended that the parties will negotiate a binding agreement, which will be subject to TSX-V, Government of Canada and Silver Wheaton Corp. approvals, under which Banyan may earn up to a100% interest in the McQuesten property in three (3) stages:

- Initial 51% Option Interest - To acquire the initial 51% Option Interest in the Property, the Company is required, over a period of four (4) years, to issue in stages a total of 1.6 million common shares in the capital of the Company, and to incur in stages minimum exploration expenditures totaling $1.6 million on the Property. Banyan will act as the Property's operator during the initial four-year term and has the option to defer expenditures into a 5th year. Following the earning of the 51% Option Interest, a JV will be formed and Banyan will have the ability to elect to earn an additional 24%.

  Additional 24% Interest - In order to earn the Additional 24% Interest, such that Banyan would have an aggregate interest of 75% in the Property, within three (3) years Banyan must spend an additional $1 million in exploration expenditures, deliver a Preliminary Economic Assessment and pay Alexco $600,000 in cash or shares of Banyan. Upon having earned the Additional 24% Interest, Banyan will continue to act as the Property's operator and may elect to earn an additional 25%.

  Additional 25% interest - In order to earn the Additional 25% Interest, such that Banyan would have an aggregate interest of 100% in the Property, within two (2) years Banyan must pay Alexco $2 million in cash or shares,

Expressed in Canadian Funds

6. RESOURCE PROPERTIES (continued)

deliver a Pre-Feasibility Study and grant Alexco a 6% NSR royalty with buybacks totaling $7 million to reduce to a 1% NSR royalty on Au and a 3% NSR royalty on Ag.

	Aurex	McQuesten	Hyland	Total
Balance, September 30, 2016	**Nil**	**Nil**	**$ 1,349,222**	**1,349,222**
Acquisition Costs	Nil	Nil	Nil	Nil
Exploration & Evaluation				
Government Grant for Work Completed	Nil	Nil	(40,000)	(40,000)
Expenses Capitalized	Nil	Nil	88,867	88,867
Balance, March 31, 2017	**Nil**	**Nil**	**1,398,089**	**1,398,089**
Balance, September 30,2017	**244,196**	**334,112**	**2,617,207**	**3,195,516**
Acquisition Costs	58,500	31,200	Nil	89,700
Exploration & Evaluation				
Expenses Capitalized	14,759	36,609	245,331	296,699
Balance, March 31, 2018	**317,455**	**401,921**	**2,862,538**	**3,581,914**

7. PROPERTY AND EQUIPMENT

	Vehicles	Computers	Camp Equip	Total
Cost Balance, March 31, 2017	**$ 9,436**	**Nil**	**Nil**	**$ 9,436**
Accumulated Amortization	**4,664**	**Nil**	**Nil**	**4,664**
Net Book Value, March 31, 2017	**$ 4,772**	**Nil**	**Nil**	**$ 4,772**

	Vehicles	Computers	Camp Equip	Total
Cost Balance, March 31, 2018	**$ 64,936**	**4,800**	**14,677**	**$ 84,413**
Accumulated Amortization	**21,497**	**2,277**	**Nil**	**23,774**
Net Book Value, March 31, 2018	**$ 43,439**	**2,523**	**14,677**	**$ 60,639**

8. RELATED PARTY TRANSACTIONS

During the quarter, $57,500 (2017 - $56,250) was billed to the corporation by officers and directors of the Company. $45,000 (2017 - $ 30,000 by KECM) was billed by KECM Services, a Company controlled by the CEO and $12,500 (2017 - $15,750) has been billed by 1195472 Ontario Ltd. for the CFO, $ nil (2017 - $10,500) to professional fees by Paul D. Gray Geological Consulting.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Fair value estimates are made at the reporting date, based on relevant market information and other information about the financial instruments. Fair values are determined directly by reference to published price quotations in an active market, when available, or by using a valuation technique that uses inputs observed from the markets.

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs which are supported by little or no market activity.

All of the Company’s cash and cash equivalents are assessed to be in Level 1.

The fair market value of the Company’s receivables, payables and accruals approximate their carrying amount due to their short-term nature.

a) Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash that might be raised from equity financings.

As at March 31, 2018, the Company had cash of $707,890 (2017 - $2,065,086) and current liabilities of $90,779 (2017 - $203,931). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. Current cash balances will allow the Company to continue to operate into the next year.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not believe a change by 1% in interest rate will have a significant impact on the fair value of its cash equivalents.

FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

d) Foreign Currency Risk

The Company's reporting currency is in Canadian dollars and major transactions are denominated in Canadian dollars. Therefore, the Company's currency risk is not significant.

Capital Disclosures

The Company manages its capital, consisting of shareholders' equity, in a manner consistent with the risk characteristics of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors.

The Company's objectives when managing capital are:

a) to safeguard the Company's ability to continue as a going concern; and
b) to facilitate potential acquisitions.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity and monthly review of financial results. As disclosed previously, there are restrictions on the use of cash.

There were no changes in the Company's approach to capital management during the period ended March 31, 2018.

10. LOSS PER SHARE

Diluted loss per share for the period ended March 31, 2018 and 2017 is the same as basic loss per share as the impact of the exercise of the outstanding share options and warrants in the money does not change the loss per share on a rounded basis.

11. SUBSEQUENT EVENTS

On May 1, 2018, the Corporation filed its' updated N.I. 43-101 on SEDAR and the Company's website.